

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7069

BILL NUMBER: SB 290

DATE PREPARED: Mar 18, 2002

BILL AMENDED: Mar 14, 2002

SUBJECT: Education.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (CCR Amended) This bill makes a technical correction to the school funding formula to: (1) eliminate an expiration provision that conflicts with the formula; and (2) update cross references to expired provisions. It allows the Department of Education to make Alternative Education Program Grants to school corporations more than once a year if the aggregate amount of the grants does not exceed \$750 per full-time equivalent student. The bill requires the Director of the Division of Special Education to coordinate an interagency task force to: (1) review services and funding sources available for children and young adults with disabilities and their families; and (2) submit a report to the legislature and the agencies involved.

Effective Date: (Amended) Upon passage; July 1, 2002.

Explanation of State Expenditures: (Revised) *School Formula Correction:* The bill corrects the expiration date for the CY 2002 and CY 2003 special education formula and at risk calculations. The 2002 and 2003 school formula provided for the calculation of special education grants and the at risk index for CY 2002 and CY 2003, but the expiration date of the chapters was not updated to January 1, 2004. The chapter expired on January 1, 2002. The school formula provides about \$372 M for special education grants for CY 2002.

Alternative Education: The bill allows the Department of Education to make more than one distribution of the Alternative Education Grant. The impact would depend if additional distributions are made to schools. The additional distributions would come from the existing appropriation and could not exceed \$750 per student.

Special Education Task Force: The task force is made up of state employees, except for the representative of a local educational agency, the special education teacher, the representative of a community mental health center, and the parent advocate. Any costs accrued due to the task forces would be funded from existing agency budgets.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education, Family and Social Services, Department of Health, Department of Corrections, Department of Veterans' Affairs.

Local Agencies Affected: Local Schools.

Information Sources: William Jackson, Jon Brinkley, Indiana Department of Veterans' Affairs, (317) 232-3919; Steve Meskin, Office of the Actuary, Office of Policy and Planning, U.S. Department of Veterans' Affairs, (202) 273-5062; Terry Spradlin, Indiana Department of Education, (317) 232-6671; Dave Buchanan, Indiana War Memorials Commission, (317) 232-7616.